

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BUENOS 04494 032305Z

70

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 AID-05 CIAE-00 COME-00 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 AGR-05 H-02 L-03 /059 W

----- 051057

P 032142Z JUL 75

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC PRIORITY 1750

LIMITED OFFICIAL USE BUENOS AIRES 4494

E.O. 11652: N/A

TAGS: ETRD, EAGR, AR

SUBJECT: HOUSE OF REPRESENTATIVES SUGAR HEARINGS AND REQUIRED INFORMATION.

REF: STATE 141876

1. REGARDING THE QUESTIONS IN PARAGRAPH 2 OF THE REFERENCED TELEGRAM, THE FOLLOWING ARE THE ANSWERS WE HAVE BEEN ABLE TO OBTAIN IN THE TIME AVAILABLE ON THE SUGAR INDUSTRY IN ARGENTINA:

--(A) LOCAL SUGAR ASSOCIATION AND GOA OFFICIALS ARE UNABLE TO GIVE FIGURE FOR COST OF PRODUCTION OF RAW SUGAR.

--(B) OFFICIAL PRICE 28.3 CENTS PER POUND AT US\$1 EQUALS ARG.\$30).

--(C) 19.53 CENTS PER POUND IN 1974 (AT US\$1 EQUALS ARG. \$9.98), AND 33.5 IN 1975 (AT US\$1 EQUALS ARG. \$15.10).

--(D) FIGURES IN THOUSANDS OF TONS:

YEAR	PRODUCTION	EXPORT
1975	1,432	490
1976	1,600	550
1977	1,650	580
1978	1,700	620

--(E) AS FAR AS CAN BE ASCERTAINED THERE ARE NO PLANS FOR NEW MILLS. ALTHOUGH NO DETAILED INFORMATION IS AVAILABLE, PURCHASE OF EQUIPMENT DURING 1973/74 HAS BEEN IN THE ORDER OF 1.5 MILLION

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUENOS 04494 032305Z

DOLLAR WHICH INDICATES THAT MILLS AND SUGAR CANE PRODUCERS ARE

UPDATING THEIR PRODUCTION METHODS AND INCREASING THE EFFICIENCY OF THEIR MILLS. ESTIMATED INCREASES IN PRODUCTION ARE DETAILED IN REF. (D).

--(F) DOMESTIC CONSUMPTION IS MORE OR LESS STABLE AT 950,000 TONS PER YEAR. PRESENT SHORTAGES AND HIGH PRICES WILL CAUSE A REDUCTION BUT THIS IS TRANSITORY.

--(G) NONE SO FAR.

--(H) DOMESTIC CONSUMPTION IS CONTROLLED BY GOA WHO HAVE ESTABLISHED MAXIMUM RETAIL PRICES. EXPORTS OF REFINED SUGAR ARE SUBJECT TO A 15 PERCENT TAX, HOWEVER, THE APPLICATION OF THIS TAX HAS BEEN SUSPENDED TILL DECEMBER 31, 1975, IN ORDER TO MAKE ARGENTINE SUGAR MORE COMPETITIVE ON THE INTERNATIONAL MARKETS.

2. REGARDING PARAGRAPH 4 OF REFERENCED TELEGRAM, PLEASE REFER TO AR 5017 OF MAY 22, 1975.

HILL

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SUGAR, TRADE LAW, US CONGRESSIONAL HEARINGS, LEGISLATIVE BILLS, PRODUCTION DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BUENOS04494  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750231-0884  
**From:** BUENOS AIRES  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750784/aaaacwqj.tel  
**Line Count:** 77  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 141876  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23 SEP 2003 by SmithRJ>; APPROVED <07 OCT 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** HOUSE OF REPRESENTATIVES SUGAR HEARINGS AND REQUIRED INFORMATION.  
**TAGS:** ETRD, EAGR, AR, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006